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**1 November 1984**

# **China Report**

**AGRICULTURE**



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1 November 1984

CHINA REPORT  
AGRICULTURE

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RENMIN RIBAO ON ACHIEVEMENTS OF STATE FARM SYSTEM

HK070732 Beijing RENMIN RIBAO in Chinese 4 Oct 84 p 1

[*"Facts and Figures" column: "State Farms and Land Reclamation Enterprises Have Made Profits for 5 Years Running"*]

[Text] In the past 35 years tremendous changes have taken place in China's farmland reclamation work.

In scale of production and construction: In 1949, there were only 26 local state farms, covering a cultivated area of 450,000 mu. Now the farmland reclamation system of the whole country has more than 2,000 state farms, 6,791 industrial enterprises, over 16,000 commercial points, and 78 communications, transportation, and building installation enterprises. The farmland reclamation system of the country has a total number of over 5 million staff and workers and covers an area of 427 million mu, equal to the sum area of two Shandong provinces, of which cultivated land accounts for over 66 million mu, forest land 25 million mu, rubber plantation 5.4 million mu, usable grassland 94 million mu, and the area for breeding aquatic products 1.8 million mu. The investment in fixed assets over the years total 24.49 billion yuan and the net value of fixed assets available total around 1 billion yuan.

Growth of production: If we compare 1983 with 1952, the total output value of industry and agriculture of the nation's farmland reclamation system (calculated according to fixed prices of 1980) rose from 147 million yuan to 13.1 billion yuan, increasing 88-fold and at an annual average rate of 15.6 percent. Of this, the total output value of agriculture increased from 123 million yuan to 7.4 billion yuan; and the total output value of industry increased from over 20 million yuan to 5.7 billion yuan.

Economic results: Prior to the 3d Plenary Session of the 11th CPC Central Committee, although farmland reclamation work developed relatively fast, the economic results were not ideal. From 1950 to 1978, there was a net loss of 3 billion yuan. The passive state of suffering from losses began to change in 1979. By 1983, profits were attained for successive years, totalling 3.1 billion yuan. In these 5 years the total output value of industry and agriculture increased by 54 percent, an annual average rate of 9 percent. The increase of enterprise profits and tax payments far

exceeded the growth of output value and a total amount of 2 billion yuan was delivered to the state as tax payments in 5 years. The standard of living of the staff members and workers was also improved correspondingly. The average wage per worker was 709 yuan in 1983, not including income from household sideline occupations.

Farmland reclamation has occupied a certain position in the entire national economy and has given full play to its role. The farmland reclamation system has already established a number of production bases for commodity grain, industrial raw materials, urban non-staple food industry, and foreign trade and export. In 1983, 7.5 billion jin of commodity grain and beans were sold to the state, the commodity rate amounting for 46 percent; and the volume of export trade totalled 46 million yuan. At present more than 80 percent of the milk consumed in large and medium-sized cities is produced by state farms. The soybeans exported by the farmland reclamation system accounts for around 50 percent of the total amount of the nation's soybean export. The export of live hogs to Hong Kong and Macao accounts for approximately 40 percent of the country's total export of live hogs to the relevant areas.

CSO: 4007/35

XINHUA ON DIVERSIFICATION OF RURAL ECONOMY

OW280224 Beijing XINHUA in English 0135 GMT 28 Sep 84

["Diversification of Rural Economy--Way to Rural Prosperity"--XINHUA headline]

[Text] Beijing, 28 Sep (XINHUA)--The growing diversification of China's rural economy, seen as a trend of long-range development, is enabling the peasants to turn out an increasing amount of surplus products for sale year after year.

In tandem with the diversification is a marked change in the pattern of employment--tens of millions of peasants have ended their dependence on the land and taken up jobs other than farming.

Chinese peasants sold agricultural and sideline products worth 126.5 billion yuan (about U.S. \$52.7 billion) in 1983, 53.5 percent more than their sales in 1978, taking into account the factor of price increases.

A survey of 30,427 peasant families in 28 provinces, municipalities and autonomous regions shows that their average earnings from industry, building construction, transport, commerce or service trades increased to 51 yuan in 1983, accounting for 18.7 percent of their total annual income from productive undertakings and services, as against 7.7 percent in 1978. Among the better-off families and areas, however, earnings from these non-agricultural occupations constituted a much bigger proportion or even the major source of income. In many areas on the Yangtze and Pearl River Deltas, income from industry makes up over 60 percent of the total industrial and agricultural income of the peasants.

Among those rural inhabitants who have moved away from farming are the 32 million people employed by township and district collective enterprises, including factories, mines and farm produce-processing workshops. They make up 9.3 percent of the rural labor force while their total annual production amounted to 92.87 billion yuan (about U.S. \$40 billion) in 1983, equivalent to nearly one-third of China's agricultural output value in the year.

The emergence of the 24 million "specialized families" in the past few years has also brought about a great shift of rural labor force. Most of these families specialize in livestock and poultry raising, fur farming, fish

culture and handicrafts, or are running private businesses, although about one-third of them are still mainly engaged in cultivation.

Private transport services are a new undertaking of the peasants: one million peasant households have bought tractors or trucks in the past few years individually or jointly to transport goods, since personal ownership of heavy vehicles is now allowed. In Anhui Province, 100,000 peasants are moving surplus agricultural products by truck, tractor or other vehicles from their villages to other parts of the country.

Another four million Chinese rural inhabitants are running private retail ships, hotels, restaurants and other service businesses which formerly were operated only by the government and collectives.

These businesses supplement government services and provide the peasants with more channels for disposing of their goods and surplus labor power.

Five years ago, 50 percent of the products turned out by the Chinese peasants from farming, sidelines and industry in terms of value were used for their own consumption. They are now selling 55 percent of their products and the portion they produced for their own consumption has been reduced to around 40 percent of their living expenses.

China's agriculture has grown beyond the stage of a somewhat self-supporting and self-contained rural economy, a vestige of the centuries-old feudal system. The rapid growth of rural commodity production has led Vice-Premier Wan Li and other leading officials to conclude that the country's agriculture is now in a period of transition, from a self-supporting and semi-self-supporting economy to one of large-scale commodity production.

But for years lopsided emphasis was put on grain production and about 90 percent of the manpower was tied to the land, hampering the growth of a diversified economy.

Although tens of millions of people moved away from crop growing, output of agricultural corps went up 35 percent in the past 5 years, thanks to the rise in peasant labor productivity. Most of the other sectors of the rural economy registered even faster growth. The returns of animal husbandry were up by 52.7 percent, forestry, 41.6 percent, and rural sidelines and township and district collective enterprises, over 100 percent during the 5-year period.

Within the crop growing sector, the area sown to grain was reduced by 6.11 million hectares or by 5.4 percent in the last 5 years while the area devoted to cash crops was enlarged by 3.3 million hectares or by 23 percent. This readjustment was made to ensure a more balanced growth of the different kinds of crops and a more rational employment of labor power.

As a result of more intensified management by the peasants, grain output, instead of decreasing, rose by 16.5 million tons a year between 1979 and 1983 while in the preceding 20 years the average annual growth was around 5.24 million tons. Output of cotton and oil-bearing crops more than doubled in 5 years.

In the long run, China has to solve the problem of achieving rural prosperity in a country with a large population and limited farmland. But abundant land and water resources remain to be developed.

The central authorities have worked out a tentative plan to further diversify the rural economy. It envisages only one-third of the rural population still engaged in crop cultivation, and the rest in animal husbandry, forestry, fisheries, rural sidelines, industry, commerce and service trades. A large number of them would work in small towns that would eventually spread out over the countryside instead of gravitating into the big cities.

CSO: 4020/18

JOURNAL ON SUPPLY, MARKETING COOPERATIVE REFORM

HK011151 Beijing JINGJI GUANLI in Chinese No 8, 5 Aug 84 pp 20-22

[Article by Zhou Haiyao [0719 3189 1031]: "Reform of Supply and Marketing Cooperatives Must Be Carried on Further"]

[Text] The reform of supply and marketing cooperatives began more than 2 years ago when the CPC Central Committee approved and transmitted to lower levels the "Summary of the National Conference on Work in Rural Areas" in January 1982, suggesting the need to restore cooperative commerce, strengthen the participation of the masses, and reinforce democratic management and flexible business operation. This reform has made considerable progress thanks to the direct leadership of CPC committees and governments at various levels. By the end of 1983, of the more than 35,000 supply and marketing cooperatives at grassroots level across the country, more than 32,000 issued shares had already paid dividend, or issued more shares and expanded the numbers of their members. These cooperatives have also held congresses, restored the system of a board of directors and supervisory council, and have elected leaders in a democratic way. Of the more than 2,100 county-level supply and marketing cooperatives, more than 1,600 have been reorganized into grassroots-level federations of supply and marketing cooperatives. This change has helped improve the relations between supply and marketing cooperatives and peasants and these cooperatives themselves have become more vigorous because of the improvement of management thinking, business style, and management method.

This year, the Document No 1 of the CPC Central Committee has set higher demands on the reform of supply and marketing cooperatives. It points out: "It is imperative to further carry on the reform of supply and marketing cooperatives so that they will be really turned into cooperative commercial organizations under peasants' collective ownership." "The related system must also be reformed according to the nature of cooperative enterprises," and "it is also necessary to actively develop production and consumer service items so as to gradually set up rural comprehensive service centers."

The broad masses of cadres and staff under the system of supply and marketing cooperatives must follow the requirements of the CPC Central Committee and lose no time in reforming supply and marketing cooperatives.

The core of this reform is to do a good job of changing the ownership by the whole people to collective ownership and of state supply and marketing cooperatives to cooperatives that are managed by the people.

It is known to all that supply and marketing cooperatives were originally economic organizations with collective ownership. They were formed with the capital raised by peasants themselves who consequently became shareholders. In the early days of their formation, supply and marketing cooperatives carried out business activities on the basis of the will of peasants. That is, supply and marketing cooperatives spared no effort in purchasing the goods and materials that were needed by peasants for production and livelihood, selling various agricultural, and sideline products to decrease middleman exploitation, and guiding agricultural production in the peasants' economic interest. Consequently, supply and marketing cooperatives had very close relations with peasants and they played important roles in smoothing out the exchange of commodities between urban and rural areas, promoting rural economy, and leading peasants to stick to the socialist road. But later, and under the influence of "leftist" ideology, the ownership of supply and marketing cooperatives was "upgraded" from collective ownership to the ownership by the whole people and from private management to state management. As a result, the good tradition of supply and marketing cooperatives was damaged, the range of their business became narrower, their business methods became more inflexible and business style more "bureaucratized." Eventually, their relations with peasants became more distant and increasingly they were not in a position to meet the needs of rural production and peasants' livelihood. Practice has proved that it is contrary to the will of peasants to change supply and marketing cooperatives from private management to state management and from collective ownership to the ownership by the whole people. This also runs counter to the current situation of the rural economy. Therefore supply and marketing cooperatives must be restored to private management and they must have collective ownership.

Rural areas in China are now in the process of gradually changing from self-sufficient or semi-self-sufficient natural economy to commodity economy and from traditional agriculture to agricultural specialization. Specialized production must be guaranteed by socialized service. This is imperative for the development of commodity production and it is also an important way for the state to exercise planned guidance over rural economy. We must understand that the disintegration of natural economy in China will take a relatively long historical process. Specialized management in rural areas in China has just begun. Hundreds of millions of peasant households, including specialized households and key households, are still weak economically and their capability for taking risks is limited. And without a complete social service, the process of the disintegration of natural economy will be longer. It may even be possible that the specialized production which has just been developed from traditional agriculture will shrink again with the taking of economic risks. A situation has emerged in rural areas in which the circulation of commodities is not smooth, peasants have found it difficult to purchase and sell, and there are shortages of complete service facilities for processing, storing, transportation, information and technology. And this

situation has already affected commodity production in rural areas. Now, the broad masses of peasants have urgently demanded the formation of economic organizations that will share weal and woe with them and that are in a position to provide them with comprehensive services in their efforts to develop commodity production. We must meet this demand of peasants. Supply and marketing cooperatives have nearly one million commercial networks and points, 4 million workers and staff members, and more than 400,000 sale and purchasing agents. They have more than 20 billion yuan of capital of their own and circulation facilities. They have more than 30 years experience in carrying out rural commerce and supporting agricultural and sideline production and a relatively perfect organizational structure. Therefore, supply and marketing cooperatives must and can become the peasants' own economic organizations that will be responsible for organizing and supplying the means of production and means of livelihood, selling agricultural and sideline products, and providing various economic and technological services. To change supply and marketing cooperatives from the ownership by the whole people to collective ownership and from state management to private management will accord with the major decisions that have been taken to meet the objective of profound changes of rural economy in China.

We are of the opinion that in furthering the reform of supply and marketing cooperatives, it is imperative to concentrate our efforts on changing the ownership by the whole people to collective ownership and state management to private management. This work can be carried out in the following five ways:

First, efforts must be made to absorb as many peasants as possible as shareholders so that supply and marketing cooperatives will be closely linked with peasants' interest economically and in this way the economic relations between supply and marketing cooperatives and peasants will be basically improved. Through paying dividends, increasing shares, and developing new members for some time now, the share capital of the members of the cooperatives has been increased from over 360 million yuan to 610 million yuan and more. The proportion of peasant households that have joined supply and marketing cooperatives has been increased from 60 percent to 80 percent, which represents considerable growth. But share capital only makes up less than 3 percent of the total capital of supply and marketing cooperatives. And the national average per capita share capital for peasant shareholders is less than 5 yuan. Member share capital in each supply and marketing cooperative at grassroots level is less than 20,000 yuan. Therefore it can be seen that business results of supply and marketing cooperatives do not have close relations with their members and peasants shareholders do not consider it their business to run supply and marketing cooperatives well. Nor do the cadres and workers and staff members of supply and marketing cooperatives consider peasant shareholders as owners of enterprises. Only when peasants have invested large amounts in supply and marketing cooperatives and share capital constitutes an important part in the capital structure of supply and marketing cooperatives will the economic relations between supply and marketing cooperatives and peasants profoundly change. Only under this

condition will peasants be able to consciously exercise their powers as masters and supply and marketing cooperatives be managed on the basis of the will of peasants. This is a key that will determine whether supply and marketing cooperatives can be changed from state management to private management. There is another significance in absorbing capital from among peasants in a big way. Commodity circulation facilities in rural areas in China are still backward now and consequently peasants have sometimes found it difficult to buy or sell. And the more practical way for solving this problem as early as possible is that supply and marketing cooperatives must raise more capital from peasants to build storage, processing and transportation facilities and create the necessary conditions for peasants to expand commodity production. This method no doubt will be welcomed by the broad masses of peasants. Therefore cadres and workers and staff members of supply and marketing cooperatives must regard raising capital from peasants in a big way as an important aspect of further reform. It is consequently imperative to mobilize peasants ideologically and boldly absorb scattered capital in rural areas into supply and marketing cooperatives.

Second, it is imperative to overcome the current business and service limitations. Most of the commodities that are needed by and marketed in rural areas are monopolized by departments concerned and consequently the business scope of supply and marketing cooperatives at grassroots level has become increasingly narrow while the business scope of sales, and purchasing agents has become wider but with decreasing profit. This situation is contradictory to the level of the development of rural economy. And under this situation, it is inconvenient for peasants to buy and sell and difficult for higher administrative departments to manage the business and raise economic results of subordinate unit. It is also difficult to display the advantages of supply and marketing cooperatives which are widely distributed, combine purchases and sales, and give support to production while trading commodities. These problems must be resolved step by step. After supply and marketing cooperatives have been changed from state management to private management, they must carry out business and provide services according to the needs of peasants. The supply and marketing cooperatives at grassroots level must be allowed to trade in the first, second, and third categories of above-quota agricultural and sideline products, industrial products for daily use, and goods and materials for farm use, as well as building materials. The first and second categories of agricultural products that are included in planning must be handled by responsible departments. Supply and marketing cooperatives may coordinate with responsible departments in jointly undertaking business in these products if the latter are not in a position to manage by themselves alone. Or supply and marketing cooperatives may carry out business in these products independently, but they must bear responsibility for the state. Supply and marketing cooperatives must also take active measures to develop services for production and daily life and engage themselves in the business of supply and marketing, processing, storing, transportation, technological service, supplying raw materials needed by township enterprises and marketing their products. They may also undertake such business as providing catering, services, repairing and

leasing and other such social welfare that is needed by peasants. In this way, supply and marketing cooperatives will be gradually turned into rural comprehensive economic service centers.

Third, reform the financial management system of supply and marketing cooperatives on the basis of the needs of collective ownership. The main problems of the existing financial management system of supply and marketing cooperatives are that they are mainly implementing the management method of the enterprises with the ownership by the whole people and they are not in a position to handle well the economic relations between the state and enterprises, enterprises and peasant shareholders, and enterprises and staff. Supply and marketing cooperatives themselves are still too tightly controlled and they do not have enough financial decisionmaking power. Therefore, in the process of further reform, supply and marketing cooperatives at various levels must introduce independent accounting with their own responsibility for profit and loss, and must have the right to regulate funds and pay income tax; but they must no longer be responsible for losses caused by implementing certain policy. The cooperatives must have the right to handle profit after paying income tax. Higher supply and marketing cooperatives can only retain a rational proportion of regulating funds from lower supply and marketing cooperatives. It is necessary to introduce the system of "guaranteeing interest and dividend" for peasant share capital and the limitation on peasants [word indistinct] shareholders must be abolished. In future, if state finance permits, the state must gradually decrease the tax of supply and marketing cooperatives. On the other hand, the cooperatives must be given financial preference so that they will be able to constantly develop--to fulfill still better the various tasks that are entrusted them by the state and to meet peasants' needs.

Fourth, reform the labor personnel system, improve the quality of supply and marketing cooperatives, and step up the motive power of enterprises. The existing labor personnel system of supply and marketing cooperatives has many defects. That is, they have mechanically [word indistinct] the management methods of the enterprises with the ownership by the whole people, which is not in line with the commercial nature of supply and marketing cooperatives, and they do not have sufficient decisionmaking power in management. In addition, cadres of supply and marketing cooperatives are appointed by higher departments and this situation makes it difficult for peasant shareholders to effectively supervise cadres; supply and marketing cooperatives can only employ workers and staff members assigned to them and are not in a position to dismiss them; consequently, it is difficult for enterprises to exercise effective management; wages in supply and marketing cooperatives are not in a position to effectively give expression to the principle of distribution according to work and this situation has affected the initiative of both cadres and workers and staff members. The advantages of changing state management to private management will not be fully demonstrated unless these defects of the existing labor personnel system in supply and marketing cooperatives are really resolved. The following four things must be done well in reforming the labor personnel system of supply and marketing cooperatives. 1. Cadres

must no longer be appointed, but elected, so that they will be ready to work both at higher levels or at grassroots levels. All the leaders of the joint supply and marketing cooperatives at county level, and supply and marketing cooperatives at grassroots level must be elected by the congress of the members of the cooperatives so that peasants will really have the right to elect and remove leading cadres. 2. The system of unified responsibility and unified distribution of workers and staff members must be replaced by the system of contract labor so that workers and staff members will be able to work in certain enterprises or leave the job to find a new one in other enterprises. But the political and economic treatment for existing permanent staff and workers must remain unchanged. In future, the new workers and staff members of supply and marketing cooperatives must be openly recruited mainly from among educated young people in rural areas, with those of good conduct being able to sign long-term contracts and those with bad conduct being liable for dismissal at any time. Tests for candidates can be carried out by joint cooperatives at country level. It is also necessary to form a retirement fund for contract staff so that contract staff will have something to depend on when they are old. University and polytechnic school graduates whose jobs are assigned by the state and those persons who are specialized in technology and management must be encouraged to work with supply and marketing cooperatives in rural areas and the relevant policy for this aspect must be introduced. 3. Conscientiously implement various forms of business responsibility system as a move to closely link the right of workers and staff members with their responsibility and interest and get rid of equalitarianism in distribution. Leading cadres of the joint supply and marketing cooperatives at county level and the cooperatives at grassroots level who are elected must be given subsidies during their term of office. Measures must be taken to establish a labor bonus system for workers and staff members on the basis of the features of cooperative enterprises. The fund for the labor bonus will be raised according to a certain proportion from enterprise year-end after-tax profit and there should be no tax on overquota bonus. All bonuses and labor bonuses must be rationally distributed on the basis of the contributions made by workers and staff members. 4. Combine business management with labor personnel management so as to gradually establish an enterprise command system and labor personnel management system that are characterized by strict enforcement of orders and prohibitions, good coordination between higher and lower units and efficiency.

Fifth, cooperative enterprises must be allowed certain flexibility in determining the prices of commodities. This is a key measure that will enable supply and marketing cooperatives to strengthen their adaptability, improve economic results, serve peasants still better and display their guidance role in regulating market demand and supply in rural areas and keeping prices down. Supply and marketing cooperatives must strictly implement the prices that are determined by the state for the industrial products that are under state planned and unified distribution and agricultural and sideline products that are under state unified and assigned purchasing. And under this premise, cooperative enterprises

must have the following rights in price management. 1. There should be price parity for the varieties and quality of highly selective industrial products for daily use under the premise that the price level of similar commodities will basically remain unchanged. 2. In purchasing and selling the first and second categories of above-quota agricultural and sideline products and third category above-quota products, sales and purchasing can be carried out at negotiated prices and enterprises have the right to decide the prices on the basis of market situation. 3. Enterprises must be allowed to trade in fresh and live commodities on negotiated prices according to the grading of the commodities and there should be different prices in the morning and evening. 4. Enterprises must be allowed to reduce the prices of commodities that are unsalable, stockpiled and damaged, or below-standard goods. 5. The retail prices of the commodities purchased from factories or other places can be lower than local market prices if such commodities have been directly purchased to reduce links and expenses. 6. The commodities that are purchased upon request of peasants can be supplied at purchase prices plus rational charges.

CSO: 4007/35

NATIONAL

COMMENTARY ON REFORMING VEGETABLE SUPPLY SYSTEM

OW072052 Beijing Domestic Service in Mandarin 1200 GMT 5 Oct 84

[Station commentary: "The System of Monopoly for Purchasing and Marketing Vegetables Must Be Reformed"]

[Text] Vegetable supply for big cities has been a longstanding, large, and difficult problem because of the difficulties involved in the monopoly for purchasing and marketing vegetables.

This illness is increasingly impeding the development of commodity production. The shortcomings of the purchasing and marketing monopoly lie in the fact that commodities are monopolized through many links but there are few channels of circulation. Consequently, the commodity price is so rigid that it has made the role of market regulation meaningless. As a result of this practice, the enthusiasm for planting large quantities of choice vegetables has been frustrated. The illness of the operation of state-run vegetable markets has driven them into the red, a condition that has snowballed because of policy decisions or business losses. The state has to authorize more subsidies for these markets and the consumers are greatly disappointed.

For these very reasons, more than 9 million jin of vegetables rotted away in Wuhan City, Hubei, in the first 6 months of this year alone. The state had to appropriate 6.25 million yuan as subsidies for this loss. Neither the vegetable producers nor the consumers benefitted from the appropriations. So, Wuhan City had no choice but to fundamentally reform the system for purchasing and marketing vegetables.

To reform the system of monopoly for purchasing and marketing vegetables, one should consider that vegetables, as a kind of commodity, must be fresh and their prices should be flexible. The leverage role of price should be given a full play in regulating the markets and making supply meet demand.

The method adopted by Wuhan City to change the monopoly for purchasing and marketing vegetables into diversified channels of supply and marketing and to authorize flexible, not fixed, vegetable prices is feasible. Relatively good results have been reported. Since this method was adopted,

there has been a greater variety of vegetables on the Wuhan market and vegetable quality has improved. As a result, waste has been reduced and both the producers and the consumers have greatly benefitted. The state has reduced the subsidies earmarked for Wuhan City's vegetable supply. This example shows that it is entirely possible to enliven the markets by reforming the system for purchasing and marketing vegetables.

Reform is man's activity in the course of the practice of probing the cause of a thing's development. He goes through the process of perfecting the imperfect. We hope that Wuhan City and all other cities will pave a new road in the course of reforming the system for purchasing and marketing of vegetables so that they will be able to supply urban residents with a greater quantity of quality vegetables and other subsidiary foods at reasonable prices.

CSO: 4007/35

POLICY OF SUMMER GRAIN PROCUREMENT REVISED

Beijing ZHONGGUO NONGMIN BAO [CHINA PEASANT NEWS] in Chinese 19 Jun 84 p 1

[Commentary: "Further Improve Circulation Channels and Preparations for Summer Grain Procurement"]

[Text] Ever since the 3d Plenum of the 11th CPC Central Committee, the Party Central Committee and the State Council have adopted a series of principles and policies in order to mobilize the peasants to take the initiative in production. The grain production of our state has increased rapidly. Since 1979, harvests have been good for 5 consecutive years. Since the founding of the state and in these 34 years, there were only 4 years--1970, 1979, 1982 and 1983--in which national grain production exceeded its previous yield by over 50 billion jin. Of these 4 years, 3 were after the 3d Plenum of the 11th CPC Central Committee. Particularly in 1982 and 1983, the successive increase in grain production reached over 50 billion jin. This has never happened before. In 1983, total national grain production reached 774.56 billion jin, which increased by 165.03 billion jin compared with that in 1978. The average annual increase in grain production in these 5 years was 33 billion jin. Within 29 years, from 1949 to 1978, the increase in grain production was 383.13 billion jin; the average annual increase was only 13.21 billion jin. That means that after the 3d Plenum of the 11th Central Committee, the amount of the average annual grain increase was 2.5 times the amount before. In 1949, the average amount of food grain per person nationwide was 418 jin; in 1983, the average amount of food grain per person was 759 jin. The amount of grain procured by the state increased greatly. In 1983, the amount of food grain procured and purchased in excess by the state was 1.91 times that in 1978. As compared with the previous year, the number of grain-supplying provinces increased from 9 to 18. The increase in supply was relatively large. As compared with the previous year, the number of grain-demanding provinces, districts and cities decreased from 18 to 10. The decrease in demand was relatively large. For a long period of time, there had been a sharp contradiction in the supply and demand of our state's food grain. At present, this contradiction has been solved: the tense balance between grain production and consumption has changed to a relatively large surplus. In the past, peasants had reported that grain procurement was a heavy burden. Now, places have reported that grain sales are difficult. In the past, the state requested localities for more supply. Now localities have asked the state to

send out more grain. A historic change in the grain situation has taken place. However, the average grain level per person in our state is not high, and one should bear in mind that the present grain problem has not been solved. Any conception and practice that restrain grain production and have an impact on the peasants' initiative in grain production are incorrect.

This year, the policy of summer grain procurement has been revised. In the past, it was decided that peasants, after having achieved the quota of grain procurements and excessive state purchases, could sell their surplus grain on the market. The multiple-channel operation could only be practiced after the county's annual or seasonal quota of procurements and excessive state purchases had been achieved and a notice had been issued by the people's government of the county. In order to stimulate further the multiple-channel operation and solve the peasants' problem in selling grain, the State Council has decided that from this summer on--when food grain and oil are on the market--and parallel to state procurement, restraints will be lifted from the market. Multiple-channel operation will be practices, thus allowing cooperative trade to take place among supply and marketing cooperatives, rural areas and others and individual peasants to procure, sell and distribute in the cities and outside the counties or provinces. In the past, the quota of grain procurements and excessive purchases was determined by the state and had to be achieved. This year, the state has only emphasized the achievement of the cardinal number of summer grain procurements (public gain and grain purchased under a state monopoly). The arrangement of the quota of excessive grain purchases has been left to various provinces, autonomous regions and municipalities. Peasants, after having achieved the quota of summer grain procurements, can continue to sell wheat to the state. As long as the quality has met the required standard, the grain should be purchased at the excessive purchase price and cannot be rejected. This year's revision of the summer grain procurement policy has unclogged the circulation channels, and under the conditions of the centralized purchase policy that we observe, the grain operation has been stimulated. Rural households have to deal with the cardinal number of procurements accurately, to achieve the relation between the quota of excessive purchases that has been made known to the lower levels by the locality and the surplus being sold on the market and to achieve consciously the procurement quota.

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CSO: 4007/200

PEASANTS ENCOURAGED TO ENGAGE IN COMMERCE

Beijing ZHONGGUO NONGMIN BAO [CHINA PEASANT NEWS] in Chinese 19 Jun 84 p 1

[Editorial: "Energetically Support Peasants' Engagement in Commerce; 'Uphold the Principle of State, Collective and Individual Progress in Unison'"]

[Text] Which principle should be followed in order to stimulate the circulation of commodities in the rural areas? This year, the central authorities have pointed out clearly in Document No 1 that "The state, collective and individual must progress in unison."

To uphold the principle of state, collective and individual progress in unison is to pay close attention to the leading role played by state-operated commerce as well as to the tremendous force of hundreds of millions of peasants. Under the guidance of this principle, peasants in various areas have started to participate in the circulation sphere, having established many co-operative commercial and individually commercial units and having achieved some basic facilities by pooling resources; a positive function has been elaborated. However, in some places, peasants are not that successful in trade because some comrades, consciously or unconsciously, stick to the principle "To maintain state operation, limit the collective and block the individual," which is contrary to Document No 1 and is apparently wrong.

The major point concerning peasants engaging in commerce--to welcome and support them or to restrain and prevent them from trading--should be clarified. In the past, the production of commodities in the rural areas was not developed and there were shortages of goods and materials. We were forced to practice centralized control in the circulation sphere and to pay full attention to the collection and distribution of goods and materials. The expansion and opening up of circulation channels and the organization of commodity exchange had been neglected. At present, the production of commodities in the rural areas has been developed: between the cities and villages and among the districts and the peasants, the exchange of commodities has become increasingly busy. Under the new situation, our thinking and work should be open. The former rural circulation system, which was characterized by monopolized operation, should be reformed. We should welcome and support peasant participation in the circulation sphere. To restrain and block peasants from opening up the channels of circulation and engaging in the exchange of commodities is actually to hinder the development of the productive forces and to run contrary to historical development.

To encourage peasants entering the circulation sphere and to maintain the leading role played by state-operated commerce are complementary. Peasants become active once they enter the circulation sphere. There are many activities: to exchange commodity information, to adjust the relation between supply and demand and to improve management. Objective situations require that state-operated commerce, through reform, elaborate its leading role to the best. Our state-operated commerce has formed a powerful force; as long as we can carry out reform seriously, we do not have to worry that its leading position will be taken over. If we stick to the old way, the peasants, who cannot catch up, will make a fresh start elsewhere. It is pessimistic to limit the collective and block the individual in order to maintain state operation. Except to maintain certain benefits, it is harmful to the state and the peasants. State-operated commerce concerns the peasants, unites the peasants and guides the peasants. Progress in unison will contribute to the welfare of the state and the peasants as well as the state-operated units.

At present, circulation is not smooth, and the problem of buying and selling is conspicuous. In order to solve this problem, the principle of state, collective and individual progress in unison should be upheld. In order to uphold this principle, the influence of the "left" has to be abolished and the former way, which linked up the parts to form a whole during the prevalence of "state monopoly" and "control," has to be changed so that state operation, the collective and the individual can have a role to play and can develop at the same pace. Under such circumstances, circulation will be stimulated, and the promotion of the growth of productive forces will not be interrupted.

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CSO: 4007/200

TEXT OF PRC FORESTRY LAW

OW260837 Beijing XINHUA Domestic Service in Chinese 0906 GMT 22 Sep 84

[Text] Beijing, 22 Sep (XINHUA)--The Forestry Law of the People's Republic of China.

Approved by the Seventh Session of the Sixth NPC Standing Committee on 20 September 1984.

Chapter I--General Principles

Article 1. This law is instituted for the purpose of protecting, cultivating and rationally exploiting the forest resources, speeding up land afforestation, and bringing the role of forests into full play in terms of storing water to protect soil, regulating the climate, improving the environment, and supplying forest products so as to suit the needs for socialist construction and the people's livelihood.

Article 2. All those who fell, exploit, cultivate, plant, and manage forests in the domain of the People's Republic of China must abide by this law.

Article 3. The forest resources belong to all the people, except for those owned by collectives as stipulated by law.

Local people's governments at and above the county levels should compile records to register forests, trees and forest land owned by all the people and collectives, the forest trees owned by individuals, and the forest land used by individuals and issue certificates after checking to affirm ownership and the right to use the forest land.

The legitimate rights and interests of the owners and users of forests, forest trees, and forest land are protected by law. No units or individuals are allowed to infringe upon them.

Article 4. The forest is divided into the following five categories:

(1) The shelter-forest: The forest, forest trees, and bushes whose principal purpose is protection. It includes trees which conserve water

sources, water, and soil, windbreaks, sand-retention forests, and shelter-forests protecting farmland, pastures, shores, and roads.

(2) The timber forest: The forest and forest trees whose principal purpose is to produce timber, including bamboo forests whose principal purpose is to produce bamboo.

(3) The economic forest: The forest trees whose principal purpose is to produce fruit, edible oils, beverages, condiments, industrial raw materials, medicinal materials, and other materials.

(4) The fuel forest: The forest trees whose principal purpose is to produce fuel.

(5) The forest for special purposes: The forest and forest trees whose principal purposes are national defense, environmental protection, and scientific experiments. They include national defense forests, experimental forests, mother trees, forest for environmental protection, forest for scenery, forest trees at scenic spots and sites of ancient relics, and revolutionary memorials and forests in nature protection zones.

Article 5. The make-up of forestry is based on the planting of trees and follows the principle of protecting the forests at large, afforesting the land in a big way, integrating felling with cultivating, and exploiting trees in a cycle.

The state encourages the study of the science of forestry so as to raise the level of science and technology of forestry.

Article 6. The state takes the following measures to protect the forestry resources:

(1) Setting quotas for felling, encouraging afforestation and closing hillsides to facilitate afforestation, and expanding the area covered by forests.

(2) Offering economic aid or long-term loans to collectives and individuals that engage in afforestation according to the related regulations of the state and local people's governments.

(3) Collecting afforestation dues to be spent exclusively on afforestation.

(4) The coal industry, papermaking industry, and other industrial departments should offer a certain amount of funds in accordance with the output of coal, paper made from wood pulp, and other products to be spent exclusively for planting timber forests for producing mine timber and making paper.

(5) Establishing a forestry fund system.

**Article 7.** With regard to the production and building of forestry in localities of national autonomy, the state, the provincial, and autonomous regional people's governments should, in accordance with the state regulations governing the autonomy in localities of national autonomy, give them greater decisionmaking power and economic benefits than the general area in developing forest, distributing timber, and spending forestry funds.

**Article 8.** The departments under the State Council responsible for forestry should be in charge of forestry work throughout the country as a whole. The departments under the local people's governments at and above the county levels responsible for forestry should be in charge of forestry work in their respective areas. Township-level people's governments should assign personnel to be in charge of forestry work as full-time or part-time posts.

**Article 9.** Afforestation and protection of forests are a citizen's bounden duty. People's governments at all levels should organize all the people to voluntarily plant trees and launch afforestation activities.

**Article 10.** Units or individuals achieving marked results in afforesting land, protecting forests, and managing forests should be awarded spiritually or materially by people's governments at all levels.

#### **Chapter II--The Operation and Administration of Forests**

**Article 11.** The departments in charge of forestry work at various levels will administer and supervise the protection, utilization and rejuvenation of forest resources in accordance with this law.

**Article 12.** The departments in charge of forestry work at various levels are responsible for organizing investigation of forest resources, establishing record system for forest resources, and knowing the changing situation of forest resources well.

**Article 13.** People's governments at various levels should formulate long-range plans for forestry work. State forestry enterprises, administrative units, and natural protection zones should draft forestry operational plans according to the long-range plans for forestry work and implement the operational plans after being approved by higher units in charge of forestry work. The departments in charge of forestry work should provide guidance to rural collective economic units, state farms, ranches, and industrial and mining enterprises in drafting their respective operational plans for forestry work.

**Article 14.** Disputes over ownership and the right of use of forests and forest land among units owned by the whole people, among collective enterprises and between units owned by the whole people and collective enterprises will be handled by people's governments at and above county level. The parties concerned may bring a suit to the people's court if they disagree with the people's government handling of the case within

1 month after receiving a notice from the people's government. Until the disputes concerning the ownership and right to use forests and forest lands are solved, all parties are not allowed to fell trees in disputed area.

Article 15. In conducting survey and design work, repairing or building construction work and opening up mines, it is necessary to refrain from occupying or to occupy less forest land. In cases in which forest land must be occupied or requisitioned, they should be handled according to related laws. The occupation or requisition of forest land with an area larger than 1,000 mu should be reported to the State Council for approval.

### Chapter III--The Protection of Forests

Article 16. The local people's governments at various levels should organize departments concerned to establish forest protection organizations to be responsible for the work of protecting forests. Forest protection facilities should be increased in large forest areas according to actual need in order to strengthen forest protection work. Those departments should supervise and urge various units with forests and forest areas at the grassroots level to conclude pledges for protecting forests, organize the masses to take part in protecting forests, designate responsibility to various units for protecting forest areas, and assign full-time or part-time forest protectors.

Forest protectors may be appointed by county or township governments. The main duties of forest protectors include making inspection rounds to protect forests and stopping activities which may damage forest resources. Forest protectors have the right to ask departments concerned in various localities to handle cases of damaging forest resources.

Article 17. The local people's governments at various levels should effectively do a good job in preventing and taking remedial measures against forest fires. They include:

- (1) The local people's governments are to stipulate a forest fire prevention period. During the period, using fire in forest areas will be prohibited. Using fire due to a special requirement should be approved by the people's governments at county level or organizations designated by the people's governments at county level.
- (2) Fire prevention facilities are to be installed in forest areas.
- (3) When there is an outbreak of forest fire, the local people's governments should immediately organize local arymen, people, and departments concerned to take remedial measures.
- (4) Those who are injured, disabled, or die because of taking remedial measures for forest fire will be given medical treatment or compensated by their own units if they are staff members and workers of the state. Those staff members and workers of units other than state organizations

will be given medical treatment or compensated by units which have fire accidents. Staff members and workers of units which have fire accidents but are not responsible for the accidents will be given medical treatment or compensated by the local people's governments if the units which have fire accidents are actually incapable of sharing the burden.

Article 18. Departments in charge of forestry work at various levels should be responsible for organizing for the prevention and treatment of forest pests and diseases. Departments in charge of forestry work are responsible for designating quarantine for certain saplings and seedlings, setting up quarantine areas and protection zones, and conducting quarantine work for saplings and seedlings.

Article 19. Destruction of forests for reclamation and quarrying purposes or for excavating sand and earth and any other acts that cause damage to forests are prohibited.

Cutting firewood and grazing in young-tree areas and special-purpose forests are prohibited.

Those who have entered forests or their peripheral areas should not move or damage forestry signs without authorization.

Article 20. The department of the State Council in charge of forestry and people's governments of various provinces, autonomous regions, and municipalities should set up nature preserve zones in those forest areas which are worthy of special protection, including typical forest ecological areas of different natural regions, forest areas where rare species of animals and plants grow and propagate, and natural tropical rain forest areas, in order to strengthen protection and management.

Measures for the management of nature preserve zones should be formulated by the department of the State Council in charge of forestry and submitted to the State Council for approval before being put into effect.

Serious efforts should also be made to protect the rare species of trees outside the nature preserve zones as well as the botanical resources of special value within the forest areas. No logging or tapping of such trees and resources is allowed without the approval of the forestry departments of the respective provinces, autonomous regions, and municipalities.

Article 21. Hunting of wildlife under protection by the state in forest areas is prohibited. If hunting of such animals is required to meet special needs, it is imperative to comply with the related laws and regulations promulgated by the state.

#### Chapter IV--Tree Planting and Afforestation

Article 22. People's governments at all levels should draw up their tree-planting and afforestation plans and set up work targets to raise the

proportion of tree-covered areas in their respective localities according to local conditions.

People's governments at all levels should organize all trades and professions as well as people living in both urban and rural areas to fulfill the tasks set in their tree-planting and afforestation plans.

Afforestation work on barren mountains and lands owned by the whole people that can be turned into forest areas should be organized by the departments in charge of forestry and other competent departments concerned. If the mountains or lands belong to collectives, afforestation work should be organized by the collective economic organizations.

Afforestation work along highways, on river banks, and around lakes and water reservoirs should be organized by the competent departments concerned in line with local conditions. In industrial and mining areas, areas occupied by government organizations and schools, PLA unit barracks areas and areas where crops, livestock, and fish are grown the respective units should be responsible for afforestation. Afforestation of barren mountains and lands owned by all the people and collective that can be turned into forest areas may be undertaken by the collectives or individuals on a contractual basis.

**Article 23.** Forests built by units owned by all the people should be managed by these units. Revenues obtained from the forests should be distributed according to the state regulations.

Forest built by collective-owned units should belong to these units.

Trees planted by village people around their houses and on their private plots and mountains should belong to them. Trees planted by urban residents, staff members, and workers in the yards of their privately-owned houses should belong to these individuals.

In the case of contracted afforestation by a collective or an individual on a barren mountain or a piece of barren land owned by all the people or a collective that can be turned into a forest area, the trees planted after signing the contract should belong to the collective or individual contractor. Provided that the contract contains a clause which states otherwise than the above, that clause should be complied with.

**Article 24.** Local people's governments should make arrangements to close moutains to grazing and other operations where new forests of young trees exist and where such arrangements must be made to facilitate afforestation.

#### **Chapter V--Felling of Trees**

**Article 25.** According to the principle that consumption should be less than the amount of timber forests grown, the state should strictly control the annual volume of logging. A ceiling on annual logging volume should

be set for each state-owned forestry enterprise or establishment, farm, factory, or mine in the case of forests and trees owned by the whole people and for each county in the case of forests and trees owned by the collective. Such ceilings should be put together by the forestry departments of the respective provinces, autonomous regions, and municipalities and, after examination and verification by the people's governments of the same level, submitted to the State Council for approval.

Article 26. An overall annual timber production plan should be drawn up by the state. The annual timber production plan should not exceed the approved ceiling of annual logging. The scope of the plan should be defined by the State Council.

Article 27. Those who fell trees in the forests must observe the following stipulations:

(1) For the timber forest which is ripe for felling, selective cutting, clear felling, and gradual felling should be adopted separately in accordance with the different situations. Clear felling should be under strict control, and reforestation must be completed within the same year or the following year.

(2) With regard to the shelter-forest and the forest for special purposes, which includes the national defense forest, mother trees, forest for environmental protection, and forest for scenery, only tending of forest and regeneration felling are allowed.

(3) Cutting trees at scenic spots and at sites of ancient relics and revolutionary memorials and the forests in nature protection zones, all of which are special-purpose forests, is strictly prohibited.

Article 29. Forest tree cutters must apply for cutting permits and cut trees according to the stipulations carried in the permit. However, residents in rural areas need no cutting permits to cut scattered trees on private plots and those around their dwelling quarters belonging to them.

With regard to the application for cutting the trees by the state-run forestry enterprises and institutions, organizations, bodies, PLA units, schools, and other state enterprises and institutions, local departments at and above the county level responsible for forestry should examine and verify it and issue cutting permits.

With regard to the regeneration cutting of the protective belt of trees along railways and highways and the trees in cities and towns, the departments concerned responsible for the matter should examine and verify applications and issue the cutting permits.

With regard to cutting trees by organizations of rural collective economy, departments at the county level responsible for forestry should examine and verify the application and issue the cutting permits.

With regard to residents in rural areas applying to fell trees in forests on hills reserved for their personal needs and those planted by them under contracts signed with collectives, departments at the county level responsible for forestry or the township and town people's governments entrusted by them should examine and verify the application and issue the cutting permits.

The above sections are applicable to felling of bamboo forests whose principal purpose is to produce bamboo.

Article 29. Departments in charge of examining and verifying applications and issuing cutting permits are not allowed to exceed the approved annual cutting quotas in issuing cutting permits.

Article 30. In applying for cutting permits, the state forestry enterprises and institutions must produce documents on the investigation and design in cutting areas. In applying for cutting permits, other units must produce documents telling the purposes of felling, sites, kinds of trees, stand conditions, area, storage, cutting methods, measures for regeneration, and other content.

With regard to units whose operations in cutting areas violate regulations, departments which issue cutting permits have the right to revoke their cutting permits and suspend their cutting until they correct their operations.

Article 31. Units or individuals who fell trees must fulfill the reforestation task in accordance with the area, number of trees, kinds of trees, and time limit as stipulated by their cutting permits. The reforested area and the number of reforested trees must be larger than those felled.

Article 32. With regard to the management and supervision of timber in the forest regions, the State Council will set separate regulations.

Article 33. Except for the timber distributed under the unified state plan, no timber is allowed to be transported out of forest regions without transport certificates issued by departments responsible for forestry.

With the provincial, autonomous regional, and municipal people's governments' approval, timber checkpoints may be established in forest regions to inspect timber transport. Timber checkpoints have the right to stop transport of timber if the transporters can produce no transport for materials.

#### Chapter VI--Legal Responsibility

Article 34. Those who stealthily fell the forest or other trees should, if their cases are not serious, be instructed by departments responsible for forestry to make compensation for the losses by planting 10 times the number of trees felled stealthily and paying a fine amounting to three to ten times the gains they illegally receive. Those who engage in

denudation should, if their cases are not serious, be instructed by departments responsible for forestry to plant five times the number of trees denuded and pay a fine amounting to two to five times the gains they illegally receive.

With regard to those who stealthily fell the forest or other trees and engage in denudation and whose cases are serious, the responsibility for their crimes should be investigated and affixed according to the stipulations under Article 128 of the "Criminal Law."

With regard to those who stealthily fell a large number of forest trees and take possession of them, by force the responsibility for their crime should be investigated and affixed according to the stipulations under Article 152 of the "Criminal Law."

Article 35. People who are directly responsible for issuing cutting permits in excess of approved annual cutting quota or issuing cutting permits in excess of their authority in violation of this law will be given administrative punishment. In serious cases where forests are seriously damaged, the people who are directly responsible for such damages will assume criminal responsibility in accordance with the stipulation of Article 187 of the "Criminal Law." Those who forge or resell cutting permits will be fined and their illegal income will be confiscated. In serious cases, the violators will be dealt with in accordance with Article 120 of the "Criminal Law."

Article 36. Those who forge or resell cutting permits will be fined and their illegal income will be confiscated. In serious cases, the violators will be dealt with in accordance with Article 120 of the "Criminal Law."

Article 37. Departments in charge of forestry work will order those who violate this law and cause damage to forests and trees due to land reclamation, collecting rock, gravel, clay, seeds or resin, cutting firewood, or other activities to pay compensation for the damages and replant trees from one to three times the number of trees thus damaged.

Article 38. Logging units or individuals who fail to accomplish reforestation task according to stipulations will not be given new logging permits until they have accomplished the reforestation tasks. Those who seriously violate the stipulations will be fined by the departments in charge of forestry work. Those who are directly responsible for failure in reforestation will be given administrative punishment by the units to which they belong or by higher units which have jurisdiction over them.

Article 39. If the people involved refuse to accept the fines decided by the departments in charge of forestry work, they may bring suit to the people's court within 1 month of receiving a notice to pay fines. The departments in charge of forestry work may ask the people's court to enforce the fines if the violators do not bring suit to the people's court within the prescribed period and refuse to pay the fines.

## Chapter VII--Supplementary Articles

Article 40. The department in charge of forestry work under the State Council will formulate provisions for the implementation of this law and the provisions will be put in force after receiving approval from the State Council.

Article 41. In nationality autonomous areas where this law may not be fully applicable, the local autonomous organizations may formulate variant or supplementary provisions according to the principle of this law and special characteristics of the nationality autonomous areas. Those provisions are to be submitted to various provinces, autonomous regions, or the Standing Committee of the National People's Congress for approval and implementation.

Article 42. This law will come into force 1 January 1985.

### Appendix: Articles of the Criminal Law Cited by This Law

Article 128. Those guilty of a serious violation of the Forest Protection Law and of illegally cutting and denuding forests will be sentenced to fixed-term imprisonment of not more than 3 years or detention and can concurrently or exclusively be given fines.

Article 152. A habitual thief or swindler or anyone who takes away a huge amount of public or private property by stealing, swindling, or plundering will be sentenced to imprisonment for not less than 5 years nor more than 10 years. In extremely grave cases, the offender will be sentenced to imprisonment for not less than 10 years or life imprisonment and may at the same time have his property confiscated.

Article 187. Any state functionary who inflicts heavy losses upon public property, the state, or the people due to dereliction of duty will be sentenced to detention or imprisonment for not more than 5 years.

Article 120. Serious cases of forgery and reselling of planned supply certificates to make money will be punishable by fixed-term imprisonment of not more than 3 years or detention. They can concurrently or exclusively be given fines or have their property confiscated. Ringleaders in the above offense or those with particularly serious cases will be sentenced to fixed-term imprisonment of not less than 3 and not more than 7 years and can concurrently have their property confiscated.

CSO: 4007/35

NATIONAL

BRIEFS

AIRCRAFT FOR SPREADING FERTILIZERS--China has developed another type of ultra-light aircraft for seeding and spreading fertilizers. Weighing 160 kilograms, the aircraft is easy to fly and costs as little as a truck. It was designed and manufactured by a research institute under the Ministry of Aviation Industry in conjunction with the Animal Husbandry Department of the Xinjiang Uygur Autonomous region. [Text] [Beijing XINHUA in English 0719 GMT 21 Sep 84 OW]

AGRICULTURAL NEWS BRIEFS--Beijing, 21 Sep (XINHUA)--China's first constant-pressure sprinkling irrigation system has gone into operation in Jiaxian County, Henan Province. The Chinese-made system consists of a water-pumping station, a constant-pressure pumping station, an underground pipeline and sprinklers. It covers 426 hectares of farmland. [Text] [Beijing XINHUA in English 2330 GMT 2 Oct 84 OW]

CSO: 4007/35

PREFECTURE PROPERLY HANDLES GRAIN SURPLUS

HK050457 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 4 Oct 84

[Text] Jiuquan Prefecture has adopted effective measures to turn surplus grain into meat, poultry, eggs, milk and other foodstuffs. This year more than 30 million jin of grain has been consumed in the prefecture. This has not only solved the difficulties of the masses in selling grain, but also increased the average per-capita income by 70 yuan or so throughout the prefecture.

In recent years, Jiuquan Prefecture has reaped a good harvest of grain for years running. Last year it provided the state with more than 400 million jin of commodity grain. This year it overfulfilled its purchase quotas for summer grain by 4 months. Throughout the prefecture granaries of each and every household are full. There occurred difficulties in selling grain. In order to turn the strong point of grain into a strong point of commodities, the Jiuquan Prefecture CPC Committee has conscientiously popularized advanced experiences, further relaxed policies, and simultaneously relied on the efforts of the state, the collectives and individuals in order to actively develop the grain processing industry. About 113 food processing plants have been established, such as flour mills, feed-processing plants, noodle and vermicelli plants, dried bean milk cream plants, bean product factories, and others. In the meantime, the prefecture has also vigorously assisted peasants to develop the breeding industry. At present there are more than 4,800 specialized households engaged in breeding undertakings throughout the prefecture. The number of live pigs, chickens, eggs and draft animals fed in the prefectures has increased by a big margin. This year the prefecture has produced more than 21 million jin of compound feed. Due to the development of other food processing undertakings, more than 30 million jin of grain has been consumed in the prefecture.

CSO: 4007/35

CPC OFFICIAL ON ENLIVENING HEBEI'S RURAL AREAS

HK020550 Shijiazhuang HEBEI RIBAO in Chinese 21 Sep 84 pp 1, 4

[Report: "At Meeting of Prefectural and City CPC Committee Secretaries, Standing Committee Member Yang Zejiang of the Provincial CPC Committee Points Out the Need for Leaders at All Levels to Lead the Peasants To Become Rich and Quadruple Output Value"]

[Text] Yang Zejiang, member of the Hebei Provincial CPC Committee Standing Committee, delivered a speech at a provincial conference for prefectural and city CPC committees recently called. He urged the leadership at all levels to lead the peasants to become rich and quadruple output value with one heart and mind.

At present, the economic development in the rural areas of our province is far from being balanced, Comrade Yang Zejiang pointed out, after he described the rural situation in the province and the new trend emerging in commodity production. Not many localities have entered upon a new developing stage and started to become rich; the majority of localities have not created a new situation in the development of their commodity economy on the basis of the solution of having enough to eat and wear; while a small number of localities have not yet eliminated the state of impoverishment. In production, there has not been any new breakthroughs in the proportional structure of agriculture, forestry, animal husbandry, sideline production and fishery. As to the level of understanding on the part of leading cadres, some of them have a clear understanding of the goal of becoming rich and quadrupling the output value; their leadership has concentrated their efforts in carrying out reforms in depth, with comparatively marked results. In most of the localities the leadership is beginning to have a clear idea about our goal, but they have not been clear enough about what they are going to do; they have not concentrated their efforts enough, and their plans and measures have not been practical enough. In a small number of localities, the leadership has not clarified the goal; they lack a clear idea of quadrupling output value, and they are slow in the pace of reforms. "Leftist" influences, sticking in a rut, conservativeness and blindness remain the chief stumbling blocks in the development of the commodity economy. Some regard "eating from the same big pot" as something inherent in socialism; and they are afraid of and dread the masses becoming rich, and would rather stick to egalitarianism.

Some regard the policy of making some localities and peasants become rich first as "polarization," and they restrict and block any channels to becoming rich and have gone so far as to suppress and attack specialized households. Others look on the party's policies as transitional, and they have not solved the mentality of being afraid of "changes of policies," while they have not brought into full play people's initiative in developmental production.

Still others regard a natural economy or a seminatural economy as the model for socialist agriculture, and they have failed to do away with the old bondages of an "agricultural county CPC committee," and "taking grain as the key link." Some of them are still suffering from the bondages of empiricism and conventional influences; they are ideologically conservative and are quite out of tune with reforms. "Emancipating the minds, and striving to become rich ahead of schedule" is the pressing task before us. It is necessary for us to take the realization of becoming rich and quadrupling output value as the criterion by which to judge our work. We must pursue the four modernizations with one heart and one mind and lead the peasants in becoming rich and quadrupling output value in a down-to-earth manner; and we must persist in and continue to carry out reforms so as to invigorate agriculture. It is imperative to thoroughly negate the "great cultural revolution" and to thoroughly eliminate "leftist" influences. Leading comrades of party and government organs at all levels must work hard in studying afresh, and they must resolutely change from grasping grain production alone to simultaneously grasping agriculture, industry and commerce; they must change the old practices of relying on the relay of administrative orders from a higher to a lower level, of summing up on the basis of statistics, and of urging the peasants to sow and harvest in time, and begin to render service to the peasants in developing commodity production in a down-to-earth manner, and to provide them with technical guidance and economic information.

It is necessary to exert our efforts to make investigation and study, and to learn from the masses and from practice. We should persist in seeking truth from facts, and start from the actual conditions in everything. We should guard against the practice of "imposing uniformity in everything" and "doing things by fits and starts." And we should resolutely guard against and correct formalism, putting on airs, and the practice of boasting and exaggeration. All items of work in the rural areas must be subject to and serve the general goal of becoming rich and quadrupling output value. All professions and trades should support the development of commodity production in the rural areas corresponding to each of their specific fields, which should be grasped constantly and persistently. It is necessary to bring into full play the role of key cities, and to carry out the economic structure reform of the city leading the counties. All departments and professions and trades should also support the counties in developing their capability in commodity production corresponding to each of their specific fields. And we will gradually set up all kinds of networks that connect the urban and the rural areas, which will make the urban and rural areas an organic whole, and develop a new-type economic structure in coordination so as to step up the pace in making the peasants become rich.

The system of contracted responsibilities with payment linked to output on the basis of household management is a long-term fundamental policy of the party in the rural areas, and it is a basic guarantee for invigorating agriculture, becoming rich, and quadrupling output value. Certificates of long-term utilization under contract of cultivable land, hills and woods, waste land, waste riverbanks, and waste water resources should all be issued to the peasants so that they may be able to manage them with ease of mind. At the same time, measures of reward and punishment should be drawn up with a view to encouraging the peasants to work on and invest in the land, and to cultivate the soil and improve the fertility of the land. Those who damage the land or carry out production of a plundering nature will be punished. It is necessary to support and develop specialized households, and to gradually arm specialized households and households under contracts with advanced technology and equipment, and incessantly raise their level of specialization, socialization, and modernization. In the course of developing specialized and commodity production, it is necessary to handle well the relationship between agriculture and other trades. We should earnestly sum up and make complete and perfect those measures which have already appeared. With the movement and grouping of such essentials for production as talent, labor force, and capital, diversified forms of economic combines have already emerged; we should adroitly guide action according to circumstances, and continuously develop them and make them complete and perfect.

In developing the new cooperative economy, it is imperative to build it on the basis of management of households under contract, and the decision-making powers of household management must be safeguarded. The ownership of shareholders of cooperative enterprises must be safeguarded. A stable combine is a cooperative, and such combines can be called cooperatives if desired. Under the conditions of our country, household management under contract and cooperatives are of a socialist nature. The scales of cooperatives may be big or small. The development of cooperative economy in the rural areas is of many forms, many layers, and many elements. All forms of cooperatives must abide by the principle of mutual benefit on a voluntary basis and must be favorable to helping specialized households and households under contracts increase their income, and must abide by the principle of freedom to join and to withdraw from the cooperative and of democratically drawing up negotiations and rules and regulations. All kinds of cooperative organizations are combines on an equal footing, and the parties concerned are in a relationship between those rendering service and those receiving service; it is not a relationship between a higher and a lower rank, or that of gradual transition. It is necessary to set up and make complete and perfect regional cooperative economic organizations, and to continuously make complete and perfect a cooperative economy with dual-layer operational structure. We should exert our efforts to set up and make complete and perfect economic and technological service organizations at village, township and county levels, and even on a wider transregional scale. First, it is necessary to grasp firmly township and village economic combines; and it is necessary to actively create conditions for the development of economic bodies, to carry out economic activities under the leadership of the party and government in

accordance with economic laws and the laws and decrees of the state, and to render service to the peasants in the preparation of their production and after the harvest with their own economic power and activities.

According to Yang Zejiang, although the production structure in the rural areas of the province has been somewhat readjusted, it is still not harmonious, and irrational conditions have not been changed fundamentally, with the proportions of forestry, animal husbandry and fishery still very low. It is necessary for us to start from improving economic, ecological and social results in developing farming, animal breeding, mining, processing, building materials, communications and transportation, service trades, and energy resources in line with local conditions. Specific planning which is practicable and feasible should be drawn up through investigation and discussion in depth at every level from the province downward--the prefecture, city, county, township, village--down to every household and every trade and profession.

It is necessary to further readjust the overall pattern of farming. Special attention should be attached to protecting the initiatives of the peasants in grain production, and the policy of never loosening the grip on grain production should be implemented continuously; and we should open up a wide range of new industries with grain as the raw materials, and earnestly implement the policy of supplementing agriculture with industry, and supporting agriculture with industry. A good job must be done in earnest in the purchase of autumn grain this year in accordance with the instruction of the central authorities so as to ensure the steady increase in the output of grain. Animal breeding is still secondary in rural industries; it is basically a family sideline occupation. It is necessary to boost the fodder industry as quickly as possible so as to make animal husbandry and fishery one of the major undertakings in the rural areas. We should take a firm grasp of building the fodder processing system with maize and dregs cake as its main raw materials. In the next few years efforts should be concentrated on building the additive industry such as amino acid, and we should make full use of the blood, bone, and fish powder in all categories of existing meat processing plants. Departments of grain, supply and marketing, foodstuff, and animal husbandry should make use of their own natural resources, go in for joint management with the peasants in initiating all categories of fodder processing industry, and provide service to the peasants. Counties, cities, prefectures and the province should all set up their fodder industry associations and do a good job in organization and working in coordination. It is necessary to develop milk cows, beef cattle, and poultry in a big way, and to develop specialized households and villages in a planned way. All cities and counties along the coast should take a firm grasp in the development and utilization of shores, place the breeding of prawns in a prominent position, and strive to make a big breakthrough in the next few years. It is necessary to seriously implement the "Outline Program for the Development of the National Foodstuffs Industry," and the series of instructions of the central authorities concerning the development of the foodstuff industry, and to step up the pace in developing the foodstuff

industry in the rural areas. Developing industry in towns and townships is the "key" and "catalytic agent" in promoting the social division of labor and in realizing specialized production, and is a sound basis for leading the peasants to become rich.

All cities and counties should grasp their own advantages in developing their chief industry and draw up plans for doubling output value and even more in the next few years. All departments should do a good job in plans for developing the trades under their charge, and in supporting industrial enterprises in towns and townships corresponding to each of their specific fields. Generally, we will not build any new county-run industrial enterprises with monopoly investment from now on. The existing and newly built county-run industrial enterprises should be managed by the joint efforts of the peasants, and these will be turned into the backbone factories or service workshops of some industries. While developing industrial enterprises of ownership by the collective in towns and townships, it is necessary to develop industrial enterprises of household and combining management in a big way. Commerce and transportation are the urgent needs in the development of commodity production, and also the trades which will enable the peasants to become rich as quickly as possible. In the next year or two it is necessary to organize the peasants to participate in commerce and transportation on a wide scale; this will be turned into a powerful channel. It is necessary to teach the peasants of all trades and professions how to do business. The pace must be stepped up in the reform of the supply and marketing cooperatives in the rural areas. We should actively develop all kinds of new-type cooperative commercial enterprises and initiate combine and corporations of industry, commerce and agriculture (forestry, animal husbandry, fishery, fruit, and reclamation) and set up warehouses for trade, and trading centers of agricultural produce in towns. The peasants are encouraged to initiate all kinds of installations for commercial service such as warehouses, cold stores, processing, transportation, and the development of specialized markets.

In conclusion, Comrade Yang Zejiang pointed out that we should further emancipate our minds, continue to carry out reforms, give a free hand to making the economy lively, and promote the movement of talented people, funds and labor force. For many years our education has been backward. However, we have not only invited few talented people to the province, but have allowed the outflow of a large number of talented people. There is truth in the idea that "it is necessary to grasp inviting talented people to the province in the near future, grasp training for the medium-range future, and grasp education for the long-range future." Grasping talented people means to grasp technology, which will in turn help realize high economic results. But how are we to grasp it? The basic way is to do a good job in educational reform and run schools through many channels. At the same time it is necessary to invite a large number of talented people to the province. We should organize talented people and technology in the urban areas to go down to the countryside. Particular attention should be attached to inviting talented people and technology from Beijing and Tianjin. We should invite them to go to the rural areas of our province to unfold scientific research, experiments, and technical cooperation, to give guidance, and to make transfer of technologies so that

scientific research, experiments, the popularizing of results of scientific research, the training of talented people, and the development of production will form into a complete set and shape into complexes.

With regard to capital funds, we advocate collecting funds from among the peasants, and going in for operations with funds provided by shareholders. Share certificates can be issued in forming joint-stock companies. Regarding developmental production and impoverished areas, the banks and credit loan cooperatives can give them long-term preferential loans. The rural areas should thoroughly break up their self-closure and open up to the outside world. They should welcome talented people, technology, and capital funds from elsewhere to participate in commodity production, in particular in developmental production. They should not only open up to the other parts of the country, but also to the world, and further make the rural economy lively by starting from the actual needs of the markets at home and abroad. It is necessary to further bring into play the role of craftsmen in the countryside. Concerning the past errors in handling cases of "cutting off the tail of capitalism," the verdicts should be thoroughly reversed so as to further solve the mentality of being afraid of "changes in policy" on the part of the peasants, and to mobilize the craftsmen in the rural areas to become rich without restraint. We should encourage the peasants to go in for industry and commerce or to initiate other enterprises in towns, by bringing along their own grain rations. This is an important policy for making the urban and rural economies lively, and for building small towns. It is necessary to do a good job in planning the modernization of small towns, and to draw in enterprises in towns and townships, households under contracts, and specialized households to participate in the building of small towns.

CSO: 4007/35

## HEILONGJIANG

### BRIEFS

INCREASED DAIRY PRODUCTION--Harbin, 5 Oct (XINHUA)--Heilongjiang Province turned out 23,000 tons of dairy products in the first 8 months of this year, 17.5 percent more than in the same period last year, say provincial authorities. Milk cows reached 192,000 head in the 1984 stockbreeding year ending last June, 15.6 percent over last year. Heilongjiang is also a major grain producer in China. The successive good harvests over the last 2 years have provided enough grain to feed the growing livestock. Heilongjiang ranks first in the country both in the number of cows and dairy output. The rapid increase is attributed to the introduction of new policies allowing individual farmers to raise more cows along with the state and collective farms. There are now 36,000 households specializing in cow-raising throughout the province. The 65,000 cows they raised account for one third of the province's total. Heilongjiang now has 107 state and collective dairies as against 34 in 1980.

[Text] [Beijing XINHUA in English 0742 GMT 5 Oct 84 OW]

FORESTRY CENTER--Harbin, 7 October (XINHUA)--China will establish a fast-growing, high-yield forestry center at the Yingchun forest area on the Wanda Mountains in eastern Heilongjiang Province, according to the Forestry Department here. The over 66,000-hectare center will be funded with an investment of 76 million yuan, an official of the department said. A survey in 1982 found good conditions for the planting of fast-growing, high-yield trees including poplar, pine, northeast China Ash, Linden and White Birch. In recent years, the forest area has introduced 20 kinds of fast-growing trees including Beijing Poplar, Russian Poplar, Linden and White Birch. [Text] [Beijing XINHUA in English 0630 GMT 7 Oct 84 OW]

CSO: 4020/18

LEADERS CALL FOR ACTION ON SOWING WHEAT

HK060930 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 4 Oct 84

[Excerpts] Yesterday [4 October] afternoon, the Provincial CPC Committee and Government held an emergency telephone conference, calling on the people throughout the province to concentrate their efforts on combating the unbroken spell of wet weather, facing against time, and working energetically in October in order to do the work of sowing wheat in a prompt and all-round way, guaranteeing both quality and quantity, and to lay a good foundation for a sustained increase in wheat output next year.

The meeting was presided over by the Provincial Deputy Party Secretary Liu Zhengwei. He Zhukang, provincial deputy party secretary and provincial governor, also spoke at the meeting.

Comrade He Zhukang stressed: We should mainly grasp the following four tasks:

1. Planting wheat is currently the key task. We should strengthen leadership over the work and fully mobilize the masses to ensure that wheat is sufficiently and effectively planted throughout the province by the end of October. Party and government leaders at all levels throughout the province, particularly leaders at county and township levels, should concentrate their forces and efforts on grasping the work conscientiously. We should organize forces immediately, and go right to the front line of production to guide, assist, supervise, and speed up the work of sowing wheat.

2. We should define our tasks and assign them to organizations at all levels. The general requirements of our tasks are: The acreage under wheat should not be reduced and the target of more than 30 billion jin of wheat for next year should be attained. We should pay attention to applying base fertilizer to ensure the good quality of the wheat. Various localities should make specific arrangements with regard to the area sown, seeding time, output, assigned purchase quotas, and so on. All the tasks should be assigned to contracted households.

3. We should take measures which are suitable to local conditions, and provide guidance in accordance with different categories of work. Mountain and hilly areas, highlands, and dry areas where rain is inadequate should grasp the work of soil preparation to ensure sowing in good time.

In areas where the soil is humid, we should grasp the work of loosening and drying the soil to ensure an early seeding time. Prompt measures should be taken in catchment areas to drain water, dry the soil, and prepare the land so that rush planting can be carried out. We should apply sufficient base fertilizer and appropriately spread seed manure to increase soil fertility.

4. Various departments should vigorously support the work of planting wheat and provide various services well. Agricultural banks should do well in the allocation and transfer of funds to provide peasants with timely loans. Goods and materials departments, supply and marketing cooperatives, and commercial sections should do well in supplying agricultural goods such as agricultural chemicals, chemical fertilizers, farm machinery, and so on. In places where the masses do not have sufficient cash to buy chemical fertilizers, the following methods can be adopted: Selling on credit, making advance cotton payments, providing loans, and so forth. Railway and communication departments should give priority to transporting agricultural goods. Supplies of electric power and diesel oil needed for planting wheat should be guaranteed. In a word, all trades and services throughout the province should do all they can to ensure that wheat is planted well. We should strive to win complete victory in this battle.

In conclusion, Comrade Liu Zhengwei stressed: This telephone meeting is very important. In accordance with the spirit of Comrade Zhukang's speech, the various localities should take immediate action to study the speech and make arrangements. At present, although we are confronted with many tasks, we should on no account neglect our key work of planting wheat. We should on no account relax our efforts, because this is a matter of primary importance which concerns our overall situation, and a major issue which will have a bearing on the situation as a whole in the entire province next year. Any other work which conflicts with the task of planting wheat should make way for this task. If any localities delay the key task of planting wheat, the CPC committees and governments in the localities concerned should be held fully responsible for the loss.

CSO: 4007/35

HUBEI

BRIEFS

FISHERY CENTER APPRAISED--The Yangzijiang Fishery Economic and Technological Development Center was officially established in Wuhan today. This development center is a people-run economic collective, which was voluntarily organized and set up by persons with a breadth of vision in the field of aquatic production engineering and technology and economic management. It will gear its work to the needs of production, basic levels, and specialized households and will serve those who engage in fish production. Comrade Guan Guangfu, secretary of the Provincial CPC Committee, set a high value on the establishment of the Yangzijiang Fishery Economic and Technological Development Center. He said: A people-run scientific cause like this is another leg of science and technology. In doing so, there are great prospects for the scientific and technological cause.

[Excerpts] [Wuhan Hubei Provincial Service in Mandarin 1100 GMT 8 Oct 84]

CSO: 4007/35

## PEASANTS COMPLETE TECHNICAL TRAINING

OW080737 Beijing XINHUA in English 0725 GMT 8 Oct 84

[Text] Changsha, 8 Oct (XINHUA)--About 4,000 peasants have completed technical training courses which began at colleges in Hunan Province last year.

Designed especially for young peasants with middle school education, more than 30 courses have been held at 15 colleges of agriculture, forestry, science and engineering, communications, finance and economics, medicine and teachers' training. Their aim is to boost rural commodity production.

The courses, which last from 1 month to one year, teach new techniques in chicken raising, edible fungus planting, drafting, house building and surveying.

Peasant students must sit for entrance examinations before enrolling, and tuition fees are paid by students themselves or by rural enterprises where they are working.

Yuan Limin, a young peasant in Suining County, studied techniques of chicken raising in Hunan Agricultural College at his own expense for a month last November. As a result, the survival rate of 1,000 birds of his chicken farm rose from 40 percent 10 months beforehand to over 90 percent.

More than 80 peasants are studying in a rural construction training class, which started a month ago, run by the Civil Engineering Department of Hunan University.

According to Associate Professor Cui Qiluan, the department had planned to take only 50 peasants, but more than 350 applied, so the department added more places.

Some colleges and universities in Hunan Province have also offered correspondence courses for peasants or sent teachers to the countryside to give lectures.

In all, about two million peasants are now attending technical training schools and evening schools of various kinds in the province. But with the development of rural enterprises and the expansion of commodity production, peasants with a higher educational level are becoming more eager to learn technical know-hows and specialized knowledge in colleges and universities.

## PEASANTS WORK IN RURAL ENTERPRISES

OW280832 Beijing XINHUA in English 0724 GMT 28 Sep 84

[Text] Beijing, 28 September (XINHUA correspondents Zhao Qinghua and He Hongyang)--Some 5,200,000 peasants, 10 percent of the rural population in Jiangsu Province, have taken up jobs in rural enterprises since 1979, according to an agricultural exhibition being held here.

Jiangsu now has more than 60,000 rural enterprises, dealing with light and heavy industries, forestry, animal breeding, construction, transport, commerce and catering services, set up by township joint economic committees and villager committees.

This eastern coastal province is one of the most densely-populated and economically developed regions in China. In the area south of the Yangtze River, one person is entitled to less than 0.06 hectares of cultivated land, while a peasant is capable of working up to nine times that much.

Rural enterprises began to appear in Jiangsu in the 1950's, mainly making and repairing farm machinery and implements. They experienced new development in the early 1970's but were condemned during the "Cultural Revolution" as being capitalist. As a result, many of them had to close.

Since 1978, the enterprises have been encouraged by the government as a way of absorbing the surplus labor force, which has been increasing every year with the rise in productivity and the mechanization of agriculture following the introduction of the production responsibility system.

Most of the funds to develop rural businesses comes from the peasants themselves. But the state also helped with an investment of 100 million yuan between 1978 and 1980.

In the first half of this year, the state again allocated 30 million yuan to help develop rural enterprises in less developed areas.

The rural industries produced 16,200 million yuan's worth of goods in 1983, 156 percent up on the figure for 1978, according to Sun Jiannan, deputy director of the Jiangsu Rural Enterprise Administration.

This amounted to 19.7 percent of Jiangsu's total industrial and agricultural output value.

In the first 8 months of this year, Jiangsu's rural industry production reached 13,100 million yuan, 33 percent more than in the same period of last year, Sun said. About 600,000 extra peasants were employed since the beginning of this year.

Rural enterprises paid 2,400 million yuan in salaries and wages last year, which supported more than 10 million local people.

In southern Jiangsu, an average rural factory worker earns about 1,000 yuan a year--almost as much as an average city worker in the province.

The development of rural enterprises has helped spur the development of country towns.

Between 1971 and 1982, rural enterprises in Wuxi County contributed 30 million yuan to the building of rural towns, including the construction of hospitals, kindergartens, cultural centers and theaters.

Meanwhile, the province has taken measures to help the less-developed areas north of the Huai River. Newly-established rural enterprises processing farm produce in these areas are exempt from all taxes for their first 3 years.

Many technicians, teachers and doctors, mostly from big coastal cities, have asked to work in the countryside to help expand the rural enterprises.

CSO: 4020/18

JIANGXI

BRIEFS

GREAT SUCCESS IN AGRICULTURE--Since the founding of New China, particularly after the 3d Plenary Session of the 11th CPC Central Committee, Jiangxi has achieved tremendous results in agriculture. Jiangxi's total agricultural output in 1983 reached 8.94 billion yuan, an increase of 310 percent over 1949 or an average annual increase of 4.3 percent. Particularly from 1979 to 1983, the average annual rate of increase was as high as 6.5 percent. In 1983, despite the most serious flood and waterlogging disasters in northern and northwestern Jiangxi since the founding of New China, Jiangxi's total grain output still increased by large margins, thanks to great joint army-people efforts in combating natural disasters. Jiangxi's total grain output in 1983 reached 29.2 billion jin, an increase of 1.03 billion jin over 1982, 6.62 billion jin over 1978, and 21.4 billion jin over 1949. Per mu yield of grain in 1983 also increased to 524 jin from 196 jin in 1949. Commodity production is also thriving in Jiangxi's rural areas, playing an increasingly important role in the entire national economy. Total procurement of farm and sideline products in 1982 reached 3.47 billion yuan, an increase of 2.12 billion yuan, or 157.2 percent, over 1978. [Excerpts] [Nanchang Jiangxi Provincial Service in Mandarin  
1100 GMT 3 Oct 84]

CSO: 4007/35

JILIN CALLS FOR CHANGING IRRATIONAL CROP STRUCTURE

SK240347 Changchun Jilin Provincial Service in Mandarin 1030 GMT 22 Sep 84

[Text] At a recent provincial rural work forum, Gao Di, secretary of the provincial CPC committee, said: The province should seize the opportunity of changes in the structure of grain planting to better balance rural economic relations and successfully restructure industry. The current change in structure of grain planting has laid bare our province's extremely irrational rural industrial structure. We produce a great amount of grain; however, it is mainly composed of corn, with very little paddy rice and wheat. We even have to import barley for beer production. We have achieved a great increase in grain production but our livestock breeding has progressed very slowly. Our pork production is not sufficient for our own consumption and we have to import from other provinces. The proportion of forestry, livestock breeding, sideline production, and fisheries in the total agricultural output value and the proportion of village industry of our province are lower than the national average.

Comrade Gao Di urged: All localities should restructure rural industry, using measures appropriate to local conditions, with economic results as the focus and prosperity as the aim. They should give play to their characteristics and advantages to establish commodity production bases and develop specialized villages and households. The restructuring of rural industry should be undertaken from three perspectives.

The first is to restructure crop production. The general trend of development in the future is that we should stabilize and properly reduce corn areas, try all possible means to expand paddy fields and properly increase soybean areas, plant barley vigorously on an experimental basis, and sow wheat in places where irrigation is possible. Beets should be the major cash crop. Yanbian should plant more flue-cured tobacco. Peanut and castor production may be increased but sunflower seed production should be reduced.

The second is to readjust the structure of agriculture. We should foster the idea of large-scale agriculture and truly achieve the comprehensive development of farming, forestry, livestock breeding, sideline production, and fisheries. Overall, any place in the province which is not suitable for farming should give up farming and be used for forestry, livestock breeding, or fisheries.

The third is to readjust the rural economic structure and greatly develop industry, commerce, the building material industry, and transportation so that a multi-industrial and multi-ownership rural economy can be established, commodity production expanded, and commodity exchanges increased.

PROVISIONAL REGULATIONS ON LAND MANAGEMENT ISSUED

SK090501 Changchun Jilin Provincial Service in Mandarin 2200 GMT 8 Oct 84

[Text] In order to safeguard the public ownership of socialist land and to conscientiously implement the state policy on fully treasuring and rationally using every inch of land, on 9 October, the provincial people's government issued the Jilin provincial provisional regulations on land management.

The provisional regulations on land management include 54 articles in 10 chapters. The regulations clearly stipulate that the agricultural departments at all levels are organs in charge of land management under the jurisdiction of the people's governments at all levels, and have unified management over all lands that come within their jurisdiction. The regulations stipulate rights of land ownership and utilization and rights of usage and managing construction lands. All units and departments that need to use construction land should go through the formalities for land requisition and transfer in line with the relevant stipulations of the regulations. The practices of making a deal on land, of purchasing and marketing lands in a disguised manner and occupying lands by illegal means are strictly forbidden. Disputes on unclear land ownership should be adjudicated by the land management organs and the people's governments. If the people are not satisfied with the adjudications, they are allowed to bring suit in the local courts.

The regulations also stipulate that the units and departments that use agricultural lands should abide by the overall plan for land utilization and do a good job in land development, utilization, protection and treatment so as to raise the land's capacity for utilization and production.

The regulations also clearly stipulate rules for urban land utilization. The lands covered by the urban construction plan cannot be expanded without authorization. Units and departments wishing to use the lands covered by the urban construction plan should go through the examination and investigation of the departments in charge of urban construction and then get the approval of the land management organs.

In order to economize on lands, the state enterprises and establishments that requisition lands for construction should work out designs for the construction projects to determine the construction lands needed. Such

practices as requisitioning excessive lands, requisitioning lands ahead of schedule and not using the requisitioned lands are strictly forbidden. The practice of using the construction lands before going through the formalities for land requisition is also forbidden. Cultivated lands should not be used for construction where open grounds and undeveloped and poor lands are available.

The provisional regulations on land management also clearly stipulate the rules for land requisition and transfer, power to examining and transferring land management and the rules for giving subsidies to the people who empty their houses for the state plan for land requisition.

The regulations also stipulate that those who make outstanding achievements in abiding by the policy on land management and the law on lands, and economizing on and rationally using lands should be awarded, those who go against the provisional regulations on land management should be given economic sanctions, and those who seriously go against the regulations should be called to account by judicial organs, so as to give the regulations more legal power.

CSO: 4007/35

NINGXIA

'GREEN GREAT WALL' PROJECT NOW UNDER WAY

0W110744 Beijing XINHUA in English 0718 GMT 11 Oct 84

[Text] Yinchuan, 11 Oct (XINHUA)--China's "Green Great Wall," the country's largest tree-planting project now under way, is already yielding economic benefits, say forestry experts.

Although far from being complete, the scheme is providing an annual average of 1,100 million yuan worth of timber products. Experts at the Yinchuan-based bureau in charge of the project estimate that additional benefits provided by the new trees through protection of farmland, conservation of water resources and prevention of soil erosion amount to 1,400 million yuan a year.

The "Green Great Wall" will eventually run 7,000 kilometers across the whole of northern China, and will help areas traditionally subjected to serious water loss and soil erosion in Heilongjiang, Jilin, Liaoning, Hebei, Shanxi, Shaanxi, Gansu and Qinghai provinces, Beijing Municipality and the Inner Mongolia, Ningxia Hui and Xinjiang Uygur autonomous regions.

Nearly 400 counties--about one fifth of China's total--are involved in the project, which has resulted from a state council decision in November, 1978 and is planned for completion at the turn of this century.

Shelterbelts covering 4.4 mil      ectares have been planted in the past 6 years, helping increase the yields of 6.67 million hectares of farmland under their protection.

One example is Jingbian County in Shaanxi Province, which is producing more than 50,000 tons of grain a year--almost twice as much as before. Local officials attribute the increase to a network of shelterbelts planted since 1979, which shield more than 16,400 hectares of farmland.

Yanbei Prefecture in northern Shanxi was ravaged by storms for 6 consecutive days in April 1980, and a layer of 0.7 centimeters of top soil was blown away from barren fields.

But loss of top soil was only about one third that much in sheltered fields, measured from a distance 20 times the height of the trees.

CSO: 4020/18

SHANXI HOLDS ANTIDROUGHT CONFERENCE

SK080638 Taiyuan SHANXI RIBAO in Chinese 15 Sep 84 p 1

[Text] On 14 September the provincial government held a telephone conference calling on the whole province to win a success in the antidrought work and complete the wheat sowing task in high quality and standard; greatly develop diversified undertakings so as to make up for the loss in agriculture with industrial and sideline production and strive not to let seriously stricken areas reduce their income; and adopt effective measures to solve the problem in water supply to the people and animals.

Vice Governor Guo Yuhuai presided over the conference. He said: From late July to the end of August, there was little rain, and the weather was dry and hot. There was a serious drought that the province has rarely experienced since the founding of the PRC. The problems arising from the drought are a lack of soil moisture for wheat sowing, a difficulty in the people's production and daily life in heavily-stricken areas, and an aggravating difficulty in the water supply to the people and animals and mountainous areas. The provincial government urged leading persons at all levels to earnestly pay attention to the masses and actively help them solve these problems, ensure the peasants' living standards, guarantee the normal progress of production, and further develop the excellent rural situation. Vice Governor Guo Yuhuai called on all localities to attend to the following major tasks:

First, it is necessary to overcome drought with all possible means, surmount difficulties, and fulfill the wheat sowing task in high quality and standard. Wheatfields in the province should remain at around 15 million mu. We should vigorously lead the masses to fulfill this target and never reduce wheatfields arbitrarily.

Second, it is necessary to greatly develop diversified undertakings so as to make up for the loss in agriculture with industrial and sideline production, and strive not to let seriously stricken areas reduce their income. All party and government departments of the afflicted areas should organize the masses to open up more avenues for commodity production with all possible means and strive to increase their income. Governments at all levels should conduct surveys on specialized marketable grain households who suffer serious damages and adopt measures to support them and help them tide over the difficulty so as to protect their enthusiasm for commodity production.

Third, it is necessary to adopt effective measures to solve the problem in water supply to the people and animals.

SHANXI

BRIEFS

GRAIN PROCUREMENT CIRCULAR--The Shanxi Provincial Government recently issued a circular on changing the method of pricing grain procurement from 1 October this year. The method of pricing grain procurement is that the price of 30 percent of the total amount of grain sold by peasants will be calculated according to the state monopoly purchase price and the price of the other 70 percent will be calculated according to the increased grain price after overfulfillment of the procurement quota. After this method is adopted, peasants will show concern for their income, the loophole through which a small number of people fraudulently earn more income from the state increased price will be stopped up, the procedures for settling accounts will be simplified, results in selling grain will be raised, the development of the new and old commodity grain bases in our province will be vigorously promoted, and the peasants' enthusiasm for production will be fully aroused. [Summary] [Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 27 Sep 84]

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